



Denali Commission  
510 'L' Street, Suite 410  
Anchorage, Alaska 99501

(907) 271-1414  
Fax (907) 271-1415  
Toll Free 1-888-480-4321  
<http://www.denali.gov>

# Fax

To: *Roger Marcil* From: *Joel Neumeier*  
Fax: *729-3571* Pages:  
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**DENALI COMMISSION**

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Anchorage, Alaska 99501

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January 29, 2004

Roger Marcil  
Alaska Native Tribal Health Consortium  
1901 South Bragraw Street, Suite 200  
Anchorage, AK 99508-3440

Dear Mr. Marcil:

RE: Addendum No. "B" to Project 0100-DC-2003-I13 (*"Reprogrammed" Indian Health Service FY03 Tribal Equipment funding & Alaska Department of Community and Economic Development – Community Development Block Grant funding*)

This letter is written in accordance to the Financial Assistance Awards for the project referenced above. This is the second Addendum Letter issued by the Commission for this project.

As you are aware on August 5, 2003 the Commission issued Addendum No. 2 to the Notice of Funding Availability for Denali Commission Primary Care Projects – FY03. Based upon the Addendum No. 2, the Commission has identified construction funding for 11 clinic projects (see attachment) that have demonstrated sustainability through approved business plans and site plan checklists. Three of the projects are partially funded with "reprogrammed" Indian Health Service (IHS) Tribal Equipment Funding and 5 are partially funded with "reprogrammed" Alaska Department of Community and Economic Development (A-DCED) funding.

Please proceed with drafting sub-award documents for the eleven projects. The Commission will work with the IHS and the Yukon-Kuskokwim Health Corporation on satisfying IHS requirements for reprogramming the funding as shown. Also the Commission will work with A-DCED, and as needed the municipalities and the boroughs that will act as fiduciary agents for the village councils.

As you are aware the new cost containment policy applies to all of these projects. Namely, ANTHC, or the third party agent for the community, must obtain a 100% design cost estimate from a professional cost estimating firm experienced in rural Alaskan construction before moving to construction.

Staff at A-DCED and the Commission have reached the following points of understanding.

1. The A-DCED environmental review process must be used for the 5 projects receiving their funding. No construction activity including material purchase can occur prior to

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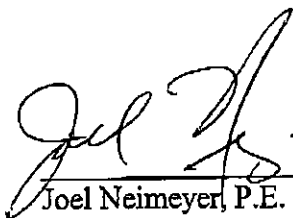

- environmental clearance by A-DCED. This includes construction activity using Commission and IHS funding. Please note that the Commission accepts all other Federal environmental review processes as meeting NEPA standards. Consequently, ANTHC need not use the typical ANTHC environmental review and the A-DCED review, but only the A-DCED review.
2. Commission funding can be used to pay design, permitting and other development costs including contracting support for the A-DCED environmental documentation.
  3. The A-DCED funding should be used for reimbursement of major material purchasing and shipping, and the cost estimate should show line items that A-DCED will fund or partially fund. This reduces the paperwork required to obtain reimbursement from A-DCED. ANTHC will provide billing packages to both the municipality and A-DCED for review and approval. Upon approval, A-DCED will provide funding directly to ANTHC. Please note that ANTHC must use the A-DCED Direct Vendor Payment form with the billing package, which includes signature approval from the municipality/borough.
  4. Project financial and status reports are required. The Commission will extend to both IHS and A-DCED staff the authority to review each progress/financial report that is submitted to the Commission's website.
  5. A tri-party agreement is recommended between the village council, who will own the facility upon completion, the municipal or borough council, who will act as fiduciary agent, and ANTHC. This allows a cleaner approach for both ANTHC and the municipal or borough government to transfer all rights and interests in the clinic to the village council through one final transfer agreement/acknowledgement of project completion. I believe it essential to obtain A-DCED concurrence with the template sub-award agreement prior to submitting the documents to the communities. I will work with you and other ANTHC staff to achieve this approval.
  6. The A-DCED application is not required. There are Appendix documents ([http://www.dced.state.ak.us/cbd/grt/pub/FFY\\_03\\_CDBG\\_Appendix.pdf](http://www.dced.state.ak.us/cbd/grt/pub/FFY_03_CDBG_Appendix.pdf)) and other related forms that must be completed by the municipality upon execution of the sub-award document. A-DCED will work with the municipality/borough with completing these Appendix documents after receipt of the executed sub-Award document (please provide carbon copies to IHS and A-DCED for projects they are funding).
  7. The final A-DCED grant agreement will be processed upon completion of the environmental review (as documented by the A-DCED Notice of Removal of Grant Conditions) and the completion of the Appendix documents.

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If you have any questions, please call one of us at 907-271-1414. If you have questions on A-DCED funding, please contact Ms. Jill Davis at 907-452-4468.

Sincerely,

  
\_\_\_\_\_  
Joel Neimeyer, P.E.  
Health Facilities Program Manager  
\_\_\_\_\_  
In Concurrence:  
Al Ewing, Chief of Staff

**Attachment**

cc: Jill Davis, A-DCED, Fairbanks, AK  
Tom Coolidge, IHS-OEHE, Anchorage, AK

File: Chronological File  
0100-DC-2003-I13/Agreements

## Addendum "B" - ANTHC Clinic Program - 1-28-04 - Project No. 0100-DC-2003-113

(A) ANTHC Management %	(B) Community/Organization/De- scription	(C) Commission Approved Project Scope	(D) Commission Approved Funding (from approved business plans)	(E) IHS FY03 Tribal Equipment Funds	(F) CDBG Cost Share Funds	(G) Management Method	(H) ANTHC Project Management Expenses $[A + (D + E + F)]$	(I) Denali Commission Project Funding Total (D + H)	(J) Total funding (E + F + I)	Funding Notes
2.80%	Buckland	Construction	\$546,960	\$0	\$0	3	\$15,315	\$562,275	\$562,275	Construction Funding only for 2580 SF of a 5200SF clinic; based upon 50% cost share match; cost share match from Maniilaq Inc.
2.80%	Klukwan renovation of existing structure into a clinic	Design & Construction	\$230,775	\$0	\$0	3	\$6,462	\$237,237	\$237,237	Rasmuson Foundation cost share match funding for \$150K
16.50%	Chitina renovation of Butcher Plant into a 2080SF clinic	Design & Construction	\$466,000	\$0	\$0	1	\$76,890	\$542,890	\$542,890	Cost Share match includes land improvements and a portion of the structure
11.50%	Huslia new clinic	Construction	\$893,712	\$164,578	\$0	1	\$121,703	\$1,015,415	\$1,179,993	Includes "reprogrammed" \$164,578 in IHS FY03 funding
16.50%	Old Harbor clinic (phase I of multi-use facility)	Design & Construction	\$868,300	\$192,000	\$0	1	\$174,950	\$1,043,250	\$1,235,250	Includes "reprogrammed" \$192K in IHS FY03 funding
0.00%	Tellin clinic completion	Construction Completion	\$156,998	\$107,006	\$0	1	\$0	\$156,998	\$264,004	Includes \$107,006 in "reprogrammed" IHS FY03 funding
11.50%	Chignik Lake new clinic	Construction	\$796,520	\$0	\$309,000	1	\$127,135	\$923,655	\$1,232,655	Lake & Peninsula Borough has agreed to act as fiduciary agent for DCED and the village
16.50%	Kokhanok new clinic	Design & Construction	\$662,100	\$0	\$288,000	1	\$156,767	\$818,867	\$1,106,867	Lake & Peninsula Borough has agreed to act as fiduciary agent for DCED and the village
16.50%	Manokotak new clinic	Design & Construction	\$667,000	\$0	\$299,000	1	\$159,390	\$826,390	\$1,125,390	Confirm city to serve as village council's fiduciary agent
2.80%	Teller new clinic	Design & Construction	\$843,100	\$0	\$300,000	3	\$32,007	\$875,107	\$1,175,107	Confirm city to serve as village council's fiduciary agent
6.00%	Clark's Point new clinic	Construction	\$411,600	\$0	\$80,000	2	\$29,496	\$441,096	\$521,096	Confirm \$100K BBIDC grant - confirm city to serve as village council's fiduciary agent
	<b>TOTAL</b>		<b>\$6,543,065</b>	<b>\$463,584</b>	<b>\$1,276,000</b>		<b>\$900,114</b>	<b>\$7,443,179</b>	<b>\$9,182,763</b>	

Notes: Amendment No. 1 to Project No. 0100-DC-2003-113 identified \$7,443,179 for clinic funding reserved through Addendum No. 2 to the FY03 Notice of Funding Availability. Furthermore, the Indian Health Service allowed up to \$463,584 to be reprogrammed to clinic projects identified by the Denali Commission. Likewise the Alaska Department of Community and Economic Development allowed reprogramming of the \$1,276,000 reflected above to Denali Commission clinic projects.